

**STANDING COMMITTEE ON PROGRAMMES AND FINANCE**

**Twenty-seventh Session**

**SUSTAINING AND SCALING PRIVATE SECTOR ENGAGEMENT**

**TO PROTECT MIGRANT WORKERS**



## **SUSTAINING AND SCALING PRIVATE SECTOR ENGAGEMENT TO PROTECT MIGRANT WORKERS**

### **Introduction**

1. This document has been prepared in response to a Member State request for information regarding IOM's work with the private sector related to labour migration and migrant worker protection. It is intended to update Member States on recent initiatives and the Organization's approach to working with the private sector, primarily but not exclusively in the context of global supply chains. This approach is designed to promote safe, orderly and regular labour migration through a strategy that is multi-stakeholder, migrant worker-centred and rights-based. The document describes IOM's work in partnership with diverse stakeholders and anticipated future steps.

2. The correlation between exploitative recruitment practices and ill-treatment of migrant workers was last considered by the Standing Committee on Programmes and Finance during its Nineteenth Session in a document entitled Promoting the ethical recruitment of migrant workers (S/19/5). That document outlined the concept and principles of ethical recruitment, highlighted their normative basis and described developments related to IOM's flagship IRIS (International Recruitment Integrity System) initiative. Prior to this, the SCPF considered the negative impact of recruitment fees and costs charged to migrant workers in a document entitled Lowering the costs of migration: Remittance transfer and recruitment costs (S/15/4), and examined the social cost of exploitation and lack of access to basic social rights in the document Social protection for migrants (SCPF/78).

### **Understanding the problem: Risks and protection gaps for migrant workers in the global economy**

3. International labour mobility is a defining feature of the global economy, with growing numbers of job seekers looking beyond local and national boundaries for employment and livelihood opportunities. Yet while it has proven benefits for all relevant stakeholders (migrant workers, employers and countries of origin and destination), the full potential of labour migration is often not realized. Many workers face significant risks throughout the migration process and at work, including discrimination, unequal wages and restrictions on their fundamental rights and freedoms.

4. Migrant workers (especially those in lower skills categories and/or employed in the informal economy) remain vulnerable to poor working conditions and exploitation that, in the worst cases, can amount to human trafficking and forced labour. In recent years, high-profile public reports have focused on the ill-treatment of migrant workers in global supply chains, describing threats and coercion, deception, the charging of recruitment fees and costs to workers, non-payment of wages and excessive working hours. These conditions have been linked to consumer products such as electronics, apparel and footwear, and to agricultural goods. Similar conditions are reported in manufacturing and services, including food processing, hospitality, health care, construction and transportation.

### **Standards and international frameworks: The normative and policy context**

5. Numerous international standards have been adopted to enhance protection of migrant workers. These are established in the fields of international human rights law (for example, the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families); international labour law (for example International Labour Organization (ILO) conventions and their accompanying recommendations); and transnational criminal law (for instance, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the 2000 United Nations Convention against Transnational Organized Crime).

6. Likewise, voluntary instruments have been adopted in recent years to complement and reinforce international standards and national laws as they relate to recruitment, migration and the global economy. These instruments have been referenced by governments, global companies, industry associations, employer organizations, multi-stakeholder initiatives and international organizations. They include the Sustainable Development Goals and the Global Compact for Safe, Orderly and Regular Migration, whose Objective 6 seeks to facilitate fair and ethical recruitment and safeguard conditions that ensure decent work. They also include the United Nations Guiding Principles on Business and Human Rights, which set out foundational and operational principles on the State duty to protect human rights, the corporate responsibility to respect human rights and the dual obligation to provide access to remedy.

7. IOM's IRIS Initiative is referred to under Objective 6 of the Global Compact. It is a global multi-stakeholder initiative that helps governments, civil society, employers and recruiters to establish ethical recruitment as the norm in cross-border labour migration. The IRIS Standard, based on international human rights instruments and labour standards, defines principles and operational benchmarks to enhance protection of migrant workers throughout the recruitment process.<sup>1</sup>

#### **IOM's four-pillar approach to enhancing respect for the rights of migrant workers in supply chains**

8. To tackle the challenges outlined above, and with specific reference to the private sector and supply chains, IOM applies a multi-faceted, partnership approach to leverage the strengths of government, civil society, the labour movement and the private sector itself. The approach is aligned with the above-mentioned United Nations Guiding Principles and focuses on the following: (a) due diligence, the rights of migrant workers and access to remedy in supply chains; (b) promoting the migrant worker voice and migrant worker empowerment; (c) strengthening regulatory frameworks that govern migrant recruitment and employment; and (d) multi-stakeholder collaboration to promote shared responsibility and action. Two leading IOM programmes serve to take this agenda forward: the above-mentioned IRIS Initiative, established in 2014, and the Corporate Responsibility in Eliminating Slavery and Trafficking (CREST) initiative, implemented primarily in Asia. Across this portfolio, IOM carries out internal due diligence aligned with the Common Approach to Prospect Research and Due Diligence for Business Sector Partnerships, established by the United Nations Sustainable Development Group, before entering into cooperation with the private sector. The purpose of this due diligence is to ensure that such partnerships are aligned with IOM principles, institutional policies and commitments.<sup>2</sup>

#### *Pillar 1: Due diligence, the rights of migrant workers and access to remedy in supply chains*

9. IOM partners with a cross-section of private sector stakeholders, including global brands, employers, recruitment agencies, industry initiatives and employers' organizations at national and international level. Its aim is to enhance respect for the rights of migrant workers and to strengthen migrant protection during recruitment, migration, employment and return. Activities under this pillar of engagement include the following: (a) direct support to businesses to strengthen their internal and supply chain policies, including codes of conduct and business and human rights commitments; (b) assistance to companies with due diligence, including risk assessments and supply chain mapping to assess the conditions facing migrant workers on their pathway to employment; (c) training provided to brands, employers and recruitment agencies to help them understand risk, improve practices and strengthen management systems, including the development of practical resources; (d) strategic advice given to business on labour migration, ethical recruitment and migrant workers; and (e) assistance with stakeholder dialogue and engagement, including governments, policymakers and civil society.

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<sup>1</sup> See <https://iris.iom.int/>.

<sup>2</sup> For information on CREST, see <https://crest.iom.int/>. For information on the Common Approach, see <https://unsdg.un.org/resources/unsdg-common-approach-prospect-research-and-due-diligence-business-sector-partnerships>.

*Pillar 2: Enhancing the migrant worker voice and migrant worker empowerment*

10. The rights of migrant workers are at the centre of IOM programming with the private sector and in supply chains. Under this pillar, IOM partners with civil society, the labour movement, governments and business to support and empower migrant workers and the organizations that advocate on their behalf. This includes:

- Work in migrant communities of origin and destination to support grassroots solutions that reinforce and extend traditional supply chain strategies, for example migrant resource centres that act as a “one-stop-shop” for advice, support and rights-based information;
- Promoting comprehensive orientation programmes for migrant workers that involve pre-employment, pre-departure, post-arrival and post-return training implemented in partnership with governments or civil society at community level;
- Partnership with civil society to monitor international recruitment practices (for example, through IRIS, IOM promotes independent oversight of labour recruiters, working in countries of origin and destination);
- Strengthening supply chain strategies that make use of new communication technologies and social media to enhance the migrant worker voice. When reinforced by community-based strategies and linked to effective grievance mechanisms and remedy, these initiatives can have significant impact at scale.

*Pillar 3: Strengthening legal and regulatory frameworks*

11. IOM also works with governments on a wide range of activities related to labour migration, migrant worker protection and supply chains. In this context, IOM takes a “whole-of-government” approach, working across relevant ministries and departments as well as at the national, subnational and local levels. In implementing this programme, IOM cooperates closely with other United Nations agencies such as the ILO. This pillar includes:

- Strengthening labour migration policies and policy coherence to promote regular migration and bolster migrant protections, including bilateral cooperation (for example, support for the development and implementation of bilateral labour migration agreements), and regional cooperation through consultative platforms such as the Ministerial Consultation on Overseas Employment and Contractual Labour for Countries of Origin and Destination in Asia (Abu Dhabi Dialogue) and the Regional Consultative Process on Overseas Employment and Contractual Labour for Countries of Origin in Asia (Colombo Process), all of which have vital “knock-on” effects for migrant workers in supply chains;
- Supporting governments in the design and implementation of national frameworks to improve labour migration management, promote ethical recruitment and address exploitation, including national action plans based on the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Plan of Action against Trafficking in Persons, and other international frameworks (a foundational resource for this work is IOM’s Montreal Recommendations on Recruitment: A Road Map towards Better Regulation, published in June 2020);
- Strengthening regulation, the licensing of labour recruiters, labour inspection services, law enforcement, and the role played by public employment services, labour attachés and consular officials responsible for migrant worker protection.

*Pillar 4: Multi-stakeholder platforms to promote shared responsibility and action*

12. IOM also promotes multi-stakeholder solutions in partnership with leading initiatives that bring together business, civil society, academia, media and other stakeholders to tackle pressing supply chain challenges, including unethical recruitment and human trafficking. This includes:

- Joint advocacy and action to promote greater awareness, commitment and dialogue across the private sector, civil society and government;
- Joint capacity-building with multi-stakeholder initiatives tailored to industry-specific or national circumstances;
- Normative, policy and operational support to enhance due diligence in multi-stakeholder initiatives and migrant worker protection.

**Concluding remarks: Challenges, opportunities and future directions in private sector and supply chain engagement**

13. In recent years, a growing chorus of voices has identified challenges and gaps in existing private sector and supply chain strategies. IOM's comprehensive, multi-stakeholder approach addresses many of these, but opportunities remain for the Organization to refine its private sector strategy.

- The sphere of engagement by global brands is often restricted to the first tier of their supply chains, that is, the business entity that produces the final product for sale on the market. This means that subcontracting arrangements and "lower" tiers of supply chains are often ignored, despite the high risk of labour and human rights abuse. The same is true of "lateral" business relationships, for example in service provision such as logistics, cleaning, maintenance, warehousing and transportation, where jobs in lower skills categories may be filled by migrant workers. Finally, supply chain strategies by their very nature focus on businesses integrated into global production systems. While major steps have been taken here to improve human rights, labour and migration conditions, the same attention has not been paid to businesses that serve national or local markets. In each of these cases (sub-contracting, lateral business relationships and national/local production), significant opportunities exist for IOM to adapt or develop new private sector strategies to enhance migrant worker protection.
- Related to this, supply chain strategies often struggle to reach businesses that operate at the margins of the formal economy or, indeed, in the informal economy. This may be because such enterprises are not present in the supply chain or because they are buried too deep in subcontracting relationships to be visible to the global brand. In both cases, existing strategies commonly fail to have a positive impact on migrant workers in these locations, particularly those who may be most vulnerable and are undocumented. The intersection of informality, irregular migration and supply chains (for example, in artisanal mining, agriculture and other spheres of commodity production) deserves greater attention and engagement by the Organization. For the same reason, informality in the recruitment industry is recognized as a priority under IRIS.
- Finally, it is important to note the unique circumstances created this year by the COVID-19 pandemic. While a number of industries have intensified their efforts to protect migrant workers and address the unique risks they face, others have been less robust in their response or faced criticism for scaling back human rights commitments at a time when migrants experience greater vulnerability. In this context, IOM has a seminal opportunity to ensure that new imperatives towards supply chain resilience feature core elements of the business and human rights/sustainability agendas.